

No. 20,868

IN THE

United States Court of Appeals

FOR THE NINTH CIRCUIT

EVANS PRODUCTS COMPANY,

Appellant,

vs.

PRECO INCORPORATED,

Appellee.

BRIEF FOR APPELLEE
PRECO INCORPORATED.

FILED

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APPELLEE'S BRIEF.

Jurisdiction.

Appellant Evans Products Company (defendant and counter-claimant in the Trial Court), owner of the patent in suit, appealed from a Final Judgment of invalidity and non-infringement entered January 11, 1966 [R. 404],¹ which is supported by Findings of Fact and Conclusions of Law [R. 386], both of which are based on the Trial Court's oral Opinion of November 19, 1965 [Tr. 1382].

The Trial Court found the Wells, *et al.* patent in suit No. 2,543,143, Exhibit A,² and each of its three

¹The Transcript of Record filed with the Clerk on this Appeal is in three volumes. The Clerk's Record bears page markings 1 through 415. Reference to this Record appear as R. followed by the appropriate page number as [R. 1]. The fourteen volumes of Reporter's Transcript will appear herein as TR followed by the appropriate page number as [Tr. 1].

²The patent in suit is Wells, *et al.* No. 2,543,143 and will be referred to herein either as the Wells patent or as the patent in suit.

claims, invalid and also non-infringed by Appellee Preco Incorporated's³ (plaintiffs-counterdefendant in the Trial Court) accused load dividers.

This action was brought for Declaratory Judgment in a controversy arising under the Patent Laws of the United States. Evans counterclaimed for patent infringement. Jurisdiction of the District Court is founded on Sections 1338(a) and 2201 of Title 28 United States Code. The pleadings showing the existence of the jurisdiction are the Complaint for Declaratory Relief in Connection with United States Letters Patent No. 2,543,143 [R. 2], Defendant's Answer to Complaint and Defendant's Counterclaim [R. 7], Plaintiff's Reply to Counterclaimant's Counterclaim [R. 12], and Defendant's Answer, and Amended and Supplemental Counterclaim [R. 23].

Defendant's Notice of Appeal [R. 406] was filed February 9, 1966, within the time specified by Rule 73(a) of the Federal Rules of Civil Procedure. This Court has jurisdiction under Section 1291 of Title 28 United States Code.

Statement of the Case.

The Trial in this cause lasted twelve days, each party presenting testimonial evidence and exhibits on its behalf. The Trial Court visited a freight yard on November 2, 1965, and saw actual full-sized load dividers mounted in freight cars. These load dividers, Evans' Model DF-B and Preco's Models BD-6 and BC-3 were operated and demonstrated for the Trial Court [Tr. 103-151]. Fact and expert witnesses for both parties

³Throughout the Brief Appellant will be referred to as "Evans" and Appellee will be referred to as "Preco".

testified fully. Many prior art patents, drawings, photographs and other exhibits were introduced into evidence. Exhibit 3, a model of the structure of the patent in suit and Exhibit 4, a model of Preco's Model BD-2 Load Divider were extensively used at the trial. The Trial Court resolved the conflicts in evidence and resolved them favorably to Preco. At the conclusion of oral arguments the Trial Court rendered its oral Opinion from the Bench [Tr. 1382].

Following its Opinion the Trial Court required both parties to submit proposed findings of fact and conclusions of law; and the Court considered both. A hearing was had to discuss the proposed findings of fact and conclusions of law on December 27, 1965, and after a full discussion, Preco's proposed findings of fact and conclusions of law were accepted with minor changes and Evans' proposed findings of fact and conclusions of law were rejected. The Findings of Fact and Conclusions of Law of the Trial Court appear in the Record at 386 through 399. At the conclusion of the discussion of the Findings of Fact and Conclusions of Law the Trial Court stated to Evans' counsel:

"* * * And if they are all right when I get them back, I will go ahead and sign them, unless defendant particularly wants a chance to object again.

"MR. SMOOT: No, your Honor, we would have no objection." [Tr. Dec. 27, 1965, p. 48].

Evans' Brief, on page 4 states: "On the issue of infringement, there is no issue of fact. * * *", and on page 5, states: "On the issue of validity the evidence adduced does not present any disputed fact question. * * *". If this is true then Evans must now accept the Trial Court's Findings of Fact; and Evans must not

assert that the Trial Court was manifestly wrong or clearly erroneous in any of its Findings of Fact. Yet, in Evans' Brief, page 3, it is charged that the Court disregarded undisputed evidence and made "* * * the further irrelevant holding that the construction shown in the Wells patent had not been commercialized. (Finding No. 27, R. 394.)".

Evans has made, throughout its Brief, certain other allegations of error in Findings of Fact, but has not, it is submitted, carried its burden of establishing that the Findings of Fact are not supported by the evidence. Evans would like to have this Court believe that all questions before the Court are questions of law, and, therefore, freely re-assessable and decidable by this Court, irrespective of the Findings of Fact of the Trial Court. This, however, is not the case as we will show in this Brief.

Question Involved and the Burden of Proof.

The basic question in this appeal is whether the Findings of Fact with respect to invalidity and non-infringement are supported by substantial evidence.

Evans has not attempted to show and has not shown that there is no substantial evidence to support the Trial Court's Findings of Fact with respect to either invalidity or non-infringement, and, therefore, Evans has not sustained its burden. As stated in *Canadian Ingersoll-Rand Co. v. Peterson Products* (C.A. 9, 1965), 350 F. 2d 18, 21, 22:

"* * * In order to obtain a reversal, appellants must convince us that the trial court erred as to each and every ground relied upon by that court in holding the patents invalid and, in addition, that the trial court erred in holding that the patents have not been infringed."

See also *Continental Connector Corp. v. Houston Fearless Corp.* (C.A. 9, 1965), 350 F. 2d 183, 186.

This Court in *Canadian Ingersoll-Rand Co. v. Peterson Products, supra*, at pages 25 and 26 held:

“Appellants argue that findings of fact relating to the question of obviousness are clearly erroneous in that they are not supported by substantial evidence.

“In support of these findings there was some opinion testimony, primarily that of Dirks Foster, a patent attorney. Appellants think his testimony should not have been accorded much weight, but this was for the trial court to determine. The main support for these findings, however, comes from all of the evidence, testimony and exhibits bearing upon the state of the art prior to Anderson, and what he contributed to that art. As to some of the facts, the evidence is in conflict. But most of the evidence that is in conflict is susceptible of varying interpretations and evaluations and gives rise to a choice of inferences, all of which could reasonably appeal differently to one fact finder than to another.

“Absent some plain signal that the trial court has gone far amiss, this court rarely finds reason for overturning findings so dependent upon such a process of appraisal. We perceive no such signal here. * * *

* * * * *

“It is therefore our view that the findings of fact relevant to the section 103 question are not clearly erroneous. We are also of the opinion that, given these facts, the trial court correctly applied the statutory proscription against the patenting of that which is obvious, as stated in that section.”

The "Statement of the Case" in Evans' Brief (pp. 2-19) is controverted. It is replete with erroneous statements, even in Section "E", p. 10 *et seq.* in which the footnote states: "The facts set forth in this section are undisputed, except * * *".

Summary of Argument.

In this Brief we will argue the more salient grounds of invalidity and non-infringement.

The three claims of the patent in suit are invalid because each of their elements, the functions of each element, and the coaction of each element are old and well known in the art. No invention is involved in bringing together these elements (*Eagle, et al. v. P. & C. Hand Forged Tool Co.* (C.A. 9, 1935), 74 F. 2d 918).

Wells used elements and functions and coactions which comprise a part of the existing fund of public knowledge and produced results which would be expected by one skilled in the art, and provided an assembly of elements which does not provide any unusual or unexpected results.

What Wells did was obvious as a whole to a person having ordinary skill in the load divider art; and the claims are invalid under 35 U.S.C. §103. (See *Graham, et al. v. John Deere Company of Kansas City, et al. and associated cases*, 383 U.S. 1, 15 L.Ed. 2d 545, and *Continental Connector Corp. v. Houston Fearless Corp.* (C.A. 9, 1965), 350 F. 2d 183).

The elements defined by the claims are an aggregation of old elements and are unpatentable under *Lincoln Engineering Co. v. Stewart-Warner Corp.*, 303 U.S. 545, and numerous Ninth Circuit cases cited in this Brief.

The claims are furthermore invalid because Wells did not meet the standard of invention as required by the Supreme Court in the *Great Atlantic & Pacific Tea Co. v. Supermarket* 340 U.S. 147, and the *Graham, et al. v. John Deere, et al.* case *supra*.

Evans admitted that the structure shown in the Wells patent in suit was never manufactured, used or sold, and that its design was unsuited for railroad use.

Preco will point out in detail the admissions against interest made by Evans in its prosecution of the Erickson, Moorhead, *et al.* application, Exhibit 59, owned by Evans. In the Patent Office proceedings Evans emphasized the substantial and important differences between its load divider and the Wells device, and virtually admitted invalidity and non-infringement. Evans' witness Moorhead, its Director of Engineering and Patents, also made significant admissions against interest which are fatal to Evans' position.

There are real differences between the patented device and the Preco load dividers. In fact, the Preco "load dividers are so different from the Wells device that it is like comparing apples and oranges".

The claims do not read on the Preco accused structures because many elements of each of the three claims are absent. Preco uses different elements, a different combination of elements, and the coaction between the elements are different.

Preco's load dividers have a different mode of operation and, therefore, there can be no infringement irrespective of the language of the claims (*Grant v. Koppl* (C.A. 9), 99 F. 2d 106).

Three of the important differences which establish non-infringement are:

(a) the incorporation in the accused devices of a rotating squaring bar having sprockets on the opposite ends thereof;

(b) rails having openings engageable by the sprockets and mounted on the ceiling rather than the wall structure and of different shape than the C-shaped rails of the patent in suit; and

(c) locking devices which operate in an entirely different manner, particularly, in that the detents in Preco's devices are in the rails rather than in the side walls, and in that the bottom bolts, when the load divider is in locked position, give a lifting action to the bulkhead and suspension system to make sure that the bouncing weight of the bulkhead is not carried by the suspension system.

There is a file wrapper estoppel which prevents infringement of claim 1.

Evans' Specification of Errors.

Evans, on pages 20 and 21 of its Brief, specifies eight errors of the Trial Court, all of which have their basis in alleged errors of fact of the Trial Court and not errors of law:

“(a) The Court erred in restricting the Wells patent to the illustrated embodiment of the invention and in giving the claim language an artificially restricted interpretation to support a holding of non-infringement.” (Br. p. 20).

“(b) The Court, when comparing the language of the Wells patent claims with the accused constructions, erred in applying to the timing shaft

of certain of the accused constructions the claim language calling for a transverse 'bar' and using that misapplication of the claim to support a holding of non-infringement, when, in fact, the accused constructions incorporated another element which had the structural and functional characteristics of the 'bar' specified in the claims." (Br. p. 20).

"(c) The Court erred in concluding that the accused structures avoided infringement because they incorporated features in addition to the combination of elements claimed by Wells when those added features did not change or impair the function and co-action of the claimed elements." (Br. p. 20).

Asserted errors (a), (b) and (c) are directed to the Findings of non-infringement, Findings of Fact 28, 29, 30, 32, 33, 35, 37, 39, 40 and 41 [R. 394-398].

Infringement and Equivalency Are Questions of Fact.

In those instances in which there is a dispute as to the construction of the device of the patent in suit and the construction of the accused devices, infringement is clearly a question of fact. Factual findings are not to be disturbed unless clearly erroneous.

Stilz v. United States, 269 U.S. 144, 147;

Moist Cold Refrigerator Co. v. Lou Johnson Co.
(C.A. 9, 1957), 249 F. 2d 246, 255;

Del Francia v. Stanthony Corporation (C.A. 9,
1960), 278 F. 2d 743, 748 (note 5).

"A finding of equivalence is a determination of fact. Proof can be made in any form: through

testimony of experts or others versed in the technology; by documents, including texts and treatises; and, of course, by the disclosures of the prior art. Like any other issue of fact, final determination requires a balancing of credibility, persuasiveness and weight of evidence. It is to be decided by the trial court and that court's decision, under general principles of appellate review, should not be disturbed unless clearly erroneous. * * *

Graver Mfg. Co. v. Linde Co., 339 U.S. 605, 609, 610.

In *Moon v. Cabot Shops, Inc.*, 270 F. 2d 539, 545, this Court held that:

“The factual finding of the trial court that the accused devices are not equivalent to the patent claims, as so construed, is not to be disturbed unless clearly erroneous. *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 610, 70 S.Ct. 584, 94 L.Ed. 1097. We find no clear error in the making of this finding.”

A comparison of the testimony of witnesses Nickerson and Moorhead, witnesses who testified on behalf of Evans, with the testimony of witnesses Beemer, Chesnut, McCormick, Jr. and Erickson, witnesses who testified on behalf of Preco, clearly shows the many disputes as to the construction and operation of the patented device and the construction and operation of the accused Preco load dividers.

The dispute in that regard is also clearly apparent from Exhibits AZ-1, AZ-2 and AZ-3, the claim charts. Nickerson, the expert witness called by Evans, testified that all of the accused devices infringed each of the

claims of the patent in suit and applied the claims to the accused devices as typed on said charts.

Chesnut, the expert witness called by Preco, disputed Nickerson's testimony in many important respects. In those instances in which Chesnut found that an element of a claim was not present in the accused device he put the identifying "No" on the charts.

The Trial Court resolved any conflicts in favor of Preco.

Asserted error (d) reads as follows:

"(d) The Court erred in concluding that the file wrapper of a subsequent patent obtained by Evans covering improvements over the Wells construction that are incorporated in some of Evans' commercial constructions contained admissions by Evans supporting Preco's contentions regarding differences between the accused load dividers and the structure of the patent in suit." (Br. pp. 20-21).

The file wrapper contents of the Erickson, *et al.* patent owned by Evans [Ex. 59] contains statements showing that Evans, when it was attempting to obtain a patent on its commercialized structure, carefully pointed out the very defects and differences on which Preco presented evidence and on which the Trial Court made findings in Preco's favor.

Also, Evans' witness Moorhead made the same admissions in open Court. (See Section entitled "The Admissions Against Interest in the File Wrapper of the Erickson, Moorhead, et al. Application, Exhibit 59, and the Admissions of Evans' Witness Moorhead").

There was a sharp conflict as to the significance of these admissions, but nevertheless, they are questions

of fact for the Trial Court's determination, not questions of law.

The Court resolved these differences in favor of Preco, and in its opinion found:

“* * * And continuously in the patent—in the Patent Office proceedings—Evans has emphasized the substance and important differences between the device it is making and the Wells device.” [Tr. 1387].

Asserted error (e) reads as follows:

“(e) The Court erred in failing to hold that the Wells invention filled a long-felt need and achieved substantial commercial success.” (Br. p. 21).

The question of whether or not Wells satisfied a long-felt need and achieved substantial commercial success is clearly a question of fact to be determined by the Trial Court. There was a substantial dispute in the evidence in that respect which the Trial Court resolved in Preco's favor.

Asserted error (f) reads as follows:

“(f) The Court erred in concluding that because elements like those specified in the claims of the Wells patent were found separately in the prior art where each functioned alone as it did in the Wells combination, that the combination claimed was an unpatentable aggregation of old elements, when in fact, they co-act to produce a useful result not hitherto achieved in the prior art.” (Br. p. 21).

Whether or not the elements used in a combination are new or old is a question of fact to be determined by the Trial Court. Whether or not the elements have

any different mode of operation or function is likewise determined by comparing the elements of the prior art with the elements of the patent in suit. Whether or not there is any new coaction is likewise a factual determination to be made by comparison. The question of whether the elements in the Wells aggregation of parts “co-act to produce a useful result not hitherto achieved in the prior art,” is a question of fact to be determined factually by looking at the coaction between the prior art and the alleged combination of the patent in suit. Of course, since *Graham, et al. v. John Deere, et al.* the question of whether or not “a new or useful result” is achieved has nothing whatsoever to do with the question of invention under the obviousness Rule of 35 U.S.C. §103.⁴

Asserted error (g) reads as follows:

“(g) The Court erred in concluding that it would have been obvious at the time the Wells invention was made to conceive the combination of elements claimed in the patent.” (Br. p. 21).

As stated in detail in *Graham, et al. v. John Deere, supra*, the determination of obviousness requires three factual inquiries as we will discuss in detail under the Section entitled; “The Findings of Invalidity are correct and are supported by the evidence”.

The first factual determination is scope and content of the prior art. Secondly, the differences between the claims of the patent in suit and the prior art; and, third, factual inquiry is the level of ordinary skill

⁴*Graham, et al. v. John Deere Company of Kansas City, et al.; Calmar, Inc. v. Cook Chemical Company; Colgate-Palmolive Company v. Cook Chemical Company*, 383 U.S. 1, 15 L.Ed. 2d 545.

in the art to which the invention pertains. This level of ordinary skill is a factual determination which is made by looking at all of the patents as well as everything else which has been done in the art so as to determine what it is that constitutes the vast fund of human knowledge which anybody and everybody is entitled to use. The only legal part on the question on obviousness for the Court to determine is whether the differences amount to invention. In this case there is nothing for this court to decide in that respect because everything that the patent in suit did was common knowledge in the art and, therefore, there are no “differences” which must be or can be considered.

In any event, all of Evans’ asserted errors in the case, including the Findings of Fact relevant to the 35 U.S.C.A., Section 103 question, are questions to which the “clearly erroneous rule” is clearly applicable.

In *Canadian Ingersoll-Rand Co. v. Peterson Products* (C.A. 9, 1965), 350 F. 2d 18, 25, 26, this Court held the clearly erroneous rule applicable to findings of fact relevant to the Section 103 question.

In this case, of course, the Court has resolved the conflicts in the evidence in favor of Preco.

Asserted error (h) reads as follows:

“(h) The Court erred in failing to hold that the Wells patent is valid and is infringed by each of the accused constructions.” (Br. p. 21).

This is a general catch-all assertion and deserves no special attention.

As previously stated, this Court, in *Canadian Ingersoll-Rand Co. v. Peterson Products* (C.A. 9, 1965), 350 F. 2d 18, at page 25, held that evidence such as in

this case “* * * is susceptible of varying interpretations and evaluations and gives rise to a choice of inferences, all of which could reasonably appeal differently to one fact finder than to another.”

The Wells Patent in Suit No. 2,543,143.

The patent in suit, Exhibit A, discloses a “truck partition” which is movable into various positions longitudinally of the truck body and which may be swung out of the way when not in use. Movable partitions of this general type are old in the art. The truck partition disclosed in the patent in suit is used in connection with a truck body (see patent Figs. 1 and 3), having a bottom 12 and vertical side walls 18 and 20 having C-shaped longitudinal tracks 32 and 34 carried by the side walls. Extending transversely between these tracks is a non-rotatable C-shaped cross-bar 42 having brackets 46 secured to it which slide in and are guided by the tracks 32 and 34. Rollers 48 and 50 are supported by each bracket to reduce friction. The cross-bar or track *does not rotate* when moved along the rails, but as defined in claim 1 of the patent, the bar is *slidably* mounted on the rails for movement to selected positions along the rails. A partition 40 is supported from the cross-bar 42 by a bracket 54, having rollers 60 and 61 which engage within the C-shaped cross-bar 42, and which has a swivel or pivot part 56, 64 and 66, which permits the partition 40 to be pivotally moved around the vertical axis of the pivot and to be side-wardly moved along the cross-bar 42 to position the partition near the side walls 18 and 20.

The partition is locked in transverse position by a locking mechanism which includes openings 104 (referred

to in the patent as detents) formed in upper and lower longitudinal bars 100 and 102 secured to the side walls 18 and 20. The opposite vertical edges of the partition are provided with latches 80 resiliently held in extended position. When the gate is swung into a transverse position the latches 80 are retracted by moving the handle 92, and when released will enter vertically aligned pairs of openings 104, thus holding the gate or partition in transverse position. There is no locking action with the truck body bottom 12 nor with any top structure since the Wells patent does not contemplate a top structure [see Findings of Fact 10 and 11, R. 388-389]. Also, there is no locking of the gate in its "stored" position.

**The Structure of the Wells Patent in Suit Has
Never Been Produced and Is Not Suitable for
Use in a Freight Car.**

The Court, in its oral Opinion [Tr. 1387, 1388] held:

"Now, a word or two about certain other issues. It is my view that the device disclosed by the Wells patent has never been produced for commercial use. It is my view also that Evans manufactured its device before it became aware of the Wells patent. * * *

"I might say to you that because of the locking device as shown in Wells, and its failure to anchor this bulkhead at the corners and to lift some of the weight off the center suspension point, the Wells device would not, in my view, be suitable for use in a freight car for restraining the heavy loads encountered therein as it is disclosed and taught in the patent."

The Trial Court strongly rejected Evans' contention that its commercial structures embodied the Wells patent in suit and constituted commercial use of that patent.

In the Findings of Fact the Trial Court found that the Wells patent in suit "* * * has never been produced for commercial use." [Finding 27, R. 394]. The Trial Court also found "The side wall locking arrangement of the Wells, et al. patent in suit consisting of the horizontally sliding bolts and detents in the wall of the vehicle would be completely inadequate in a freight car environment when used with a bulkhead of the size and weight necessary for the freight car environment." [Finding 26, R. 394].

Furthermore, Evans, in connection with the prosecution of its Erickson, *et al.* Patent No. 3,209,707, Exhibit 59, admitted the gross inadequacies of the patent in suit as will be shown later in the Section entitled "The Admissions Against Interest in the File Wrapper of the Erickson, Moorhead, et al. Application, Exhibit 59, and the Admissions of Evans' Witness Moorhead".

The facts speak plainer than any argument. The Wells application was filed in June of 1947. It issued in February of 1951. It was acquired by Evans on July 1, 1959 [R. 157]; and, notwithstanding Evans' contention of a great public need, there is not one iota of evidence that the Wells structure was ever built or commercially used. The evidence produced in this case

shows it would have been unsatisfactory for use in freight cars.

In answer to Interrogatory 1 k of Plaintiff's First Set of Interrogatories, Exhibit 36, Evans answered that it had no knowledge or information as to "when was a device embodying the alleged invention disclosed and claimed in the patent in suit first successfully tested or used?" This Interrogatory and answer are as follows:

"Interrogatory 1. With regard to the patent in suit, No. 2,543,143, please answer the following questions:

* * * * *

"k. When was a device embodying the alleged invention disclosed and claimed in the patent in suit first successfully tested or used?"

*"Answer: Defendant has no knowledge or information as to the matters inquired about in this interrogatory except for such information as is contained in Patent No. 2,543,143. * * *"*

Also please note Evans' answer to Interrogatory 5(a) of Preco's First Set of Interrogatories, Exhibit 36, which reads as follows:

"Interrogatory 5. (a) Has defendant ever constructed or sold a structure of the design shown in the drawings of the patent in suit, and, if so, set forth when and where."

"Answer: (a) No."

Also see Interrogatory 1 of Preco's Third Set of Interrogatories, Exhibit 39, and the testimony of the witness Moorhead at Transcript 984.

Evans Made Its First DF-B Installation, Which Evans Contends Was Covered by the Patent in Suit, Many Months Prior to Any Knowledge of the Wells Patent in Suit.

In its oral Opinion the Trial Court found that Evans manufactured its DF-B load dividers before it became aware of the Wells patent [Tr. 1387]. Finding 8 reads:

“Defendant manufactured its first DF-B load divider and installed it in a freight car in the middle of 1958 (TR. 194), which was before it became aware of the Wells patent in suit. (TR. 916 et seq.).” [R. 388].

The testimony of Moorhead [Tr. 916-917] and Byrne, Evans' Sales Manager [Tr. 194], is that the first Evans' DF-B installation that Wells would allegedly read on,⁵ was made no later than the middle of 1958, and that the Wells patent first came to Evans' attention six months prior to the purchase of Wells by Evans on July 1, 1959 [Pre-Trial Conference Order, R. 157].

The Evans' load divider is in reality irrelevant to any issues of validity or infringement. The accused devices must be compared with the claims of the patent and not with the commercial device of the patent owner.

See: *Hartford-Empire Co. v. Obear-Nester Glass Co.* (C.A. 8, 1930), 39 F. 2d 769 at 771:

“* * * So, commercial devices are not to be compared with commercial devices, but the accused commercial device is to be compared with the claims of the patent in dispute.”

⁵Note, however, that the Trial Court found that this load divider is not within the Wells patent [Finding 27, R. 394].

Also see *Kromer v. Riegel Textile Corporation* (C.A. 7, 1955), 227 F. 2d 741, 743-744; *S. S. Kresge Co. v. Davies* (C.A. 8, 1940), 112 F. 2d 708, 709; and *Cincinnati Milling Machine Co. v. Turchan* (D.C., E.D., Mich., S.D., 1951), 101 F. Supp. 621, 632.

Oral Opinion of Trial Court on Issue of Validity.

In its oral Opinion with respect to the issue of validity, the Trial Court found at Transcript 1384 (after describing the Wells device):

“Now, it has been proved to my satisfaction that every one of these characteristics were disclosed and adequately disclosed by the prior art. I don’t find any spark of inventive genius in the combination. The combination seems to me to have been an obvious one, and I make the decision, of course, as of the date of the patent, and postulating the kind of a person with the kind of skills that the law requires me to do.

“Now, of course, also in making this decision on the issue of validity, I am conversant with Appellate Court decisions * * * But my finding of obviousness is a firm one made with these Appellate Court requirements and decisions in mind.”

The Trial Court’s Findings of Fact on Invalidity.

The Trial Court made forty-two Findings of Fact [R. 387-399] and twenty-two Conclusions of Law [R. 400-403], on which it based its Judgment [R. 404-405] that the patent in suit and all of its claims are invalid; and Preco has not infringed any of the claims of the patent in suit by the manufacture, use or sale of the accused load dividers.

Findings 12 to 25 and Conclusions of Law 7 to 12 relate to invalidity.

In Finding 12 [R. 390] the Court found that “All of the elements of the Wells, *et al.* patent in suit and the cooperative relations therebetween are old and well known in the art”.

Finding 12 then takes each element of claim 1 and specifies the prior art patents in which that element is shown.

Charts applying the prior art to the elements of Claims 1, 2 and 3 of the patent in suit are found in the Pre-Trial Conference Order, pages 11 to 15 thereof [R. 166-170].

In Finding 17 [R. 393] the Court made the finding that all of the elements of claims 2 and 3 of the patent in suit are found in the prior art as said elements and said prior art are set forth on pages 13, 14 and 15 of the Pre-Trial Conference Order [R. 169-170].

In Finding 13 [R. 391-393] the Trial Court found “Partitioning devices with many of the elements of the patent in suit were old prior to the filing of the Wells, *et al.* application of the patent in suit, * * *”. Thereafter in subparagraphs (a) through (e), the Court specifies five prior art patents and describes the manner in which the partition is suspended in each of these patents.

In Finding 14 [R. 392] the Trial Court found that transverse beams of the general type shown by 42 of the Wells patent in suit, and commonly known as “bridge-crane type” load supporting means had been used in freight cars prior to the filing of the patent in suit and that these devices were capable of transport-

ing a load to any desired location within the car. The Court cited the Staiger Patent, Exhibit 2-P, the Lundborg Patent Exhibit 2-S, and the Deady Patent, Exhibit 2-G.

The Trial Court found that the transverse support or bridge-crane mounting of the Wells patent in suit “* * * does not take on a new quality or function by being brought into concert with the partition member of the patent in suit and their assembly does not result in an unusual or surprising result.” [Finding 15, R. 392].

To illustrate the manner in which the prior art was so readily used by Wells, Preco made a series of composite reproductions of the elements used by Wells.

In Finding 16 [R. 392-393] the Trial Court found:

“16. Ex. 31, a composite reproduction of the bridge-crane of Staiger No. 2,437,486 (Ex. 2-P) and the partition of Wells No. 1,646,604 (Ex. 2-H) illustrates that the bridge-crane mounting and partition member of the Wells, et al. patent in suit do not perform any different or additional functions in the aggregation than they did in their original environment. The results are not unusual or surprising. No more is derived from the assembly than might be reasonably expected as a sum of old ideas drawn from the public domain. Ex. 32 also illustrates a similar combination of the partition of the Jones Patent No. 1,803,760 (Ex. 2-I) with the bridge-crane of Deady Patent No. 1,622,574 (Ex. 2-G). Ex. 40 also illustrates a similar combination of the farm gate of Potter No. 226,102 (Ex. 2-R) supported on the bridge-crane of Staiger No. 2,437,486 (Ex. 2-P).”

Evans, at the trial, contended superiority in the ability of the partition of the patent in suit to store partitions parallel to and against the side walls of a freight car in any location along the side walls thereof. The Trial Court, however, rejected this contention as a basis of establishing patentability or invention as follows:

“18. The Defendant contended at the trial that the patented structure is superior because the use of the bridge-crane suspension for the load divider partition of Wells Patent No. 1,646,604 (Ex. 2-H) resulted in the ability to store the partitions parallel to and against the side walls of the car in any location along the side walls of the car. It is nevertheless an assembly of old elements. Even if it were assumed that the patented load divider was superior in the above particular, such superiority is a mere matter of degree and does not constitute a new or surprising function or result.” [R. 393].

Please note that in this Finding the Trial Court found that any *assumed* alleged superiority of the partition of the Wells patent in suit “* * * is a mere matter of degree and does not constitute a new or surprising function or result” [Finding 18, R. 393].

The evidence showed that Preco in 1941 manufactured load dividers as disclosed in the Wieden Patent, Exhibit 2-0, issued October 10, 1944 [See Finding 7, R. 388].

The Trial Court found it is obvious that if one wished to store the Wieden partition at any point along the

side walls of the car this could be accomplished by the use of a bridge-crane suspension of the prior art. Findings 19 to 25 find:

“19. The Wieden partition (Ex. 2-0) provided lateral track means for storing the partitions at a single point on each of the side walls. It is obvious that if one wished to store the Wieden partition at any point along the side walls of the car this could be accomplished by the use of a bridge-crane suspension such as shown in the patents to Deady (Ex. 2-G), Staiger (Ex. 2-P) or Lundborg, et al. (Ex. 2-S).” [R. 393].

“20. The patented device is no more than a small step forward in the gradual development and improvement of the load divider art.” [R. 393].

“21. The intended purpose of the prior art patents and the results obtained thereby, and the purpose and results obtained by the Wells, et al. load divider of the patent in suit, are substantially the same and are accomplished in substantially the same way. In so far as any differences in results or mode of operation between the prior art patents and the Wells, et al. load divider of the patent in suit are concerned, such differences are a matter only of degree and not of kind.” [R. 393-394].

“22. The prior art contains every element and every function of the Wells, et al. patent in suit. Each element and the function of each element of the Wells, et al. patent in suit is old, and there is no coaction between the elements any different than the coaction between the elements of the prior art.” [R. 394].

“23. The Wells, et al. patent in suit discloses an unpatentable aggregation of old elements and not a patentable combination.” [R. 394].

“24. The structure disclosed and claimed in the Wells, et al. patent in suit considered as a whole was obvious at the time that the invention was made to a person having ordinary skill in the load divider art.” [R. 394].

“25. There is no evidence that some of the most pertinent prior art produced at the trial was considered by the Patent Office during the prosecution of the patent in suit, and the evidence is to the contrary.” [R. 394].

The Load Dividers of Preco.

Preco manufactured movable adjustable partitions for freight cars in 1941, these structures comprising “* * * load dividers being intended to perform essentially the same function as the load dividers currently manufactured by Plaintiff.” [Finding 7, R. 388]. Preco was forced to cease its manufacture of load dividers because of World War II, but restarted again in 1958. In July of 1959 Preco installed its load dividers as shown in Exhibit 48-A [Finding 7, R. 388].

There are five accused load dividers of Preco, namely:

Model BD-2 [Exs. 11, 12, 19, 20, AE-1, AE-2 and AF], see Finding 31 [R. 395];

Model BD-6 [Exs. AN-1 to AN-6], see Finding 33 [R. 396].

Models BD-6 and BC-3 are two of the load dividers which the Trial Court inspected and which

were demonstrated to the Trial Court on November 2, 1965 [Tr. 122, 139].

Model BC-3 [Exs. 7, 8, 16, AA and AB] see Finding 34 [R. 396];

Model BE-2 [Exs. 5, 6, 13, 14, 15, Y and Z], see Finding 36 [R. 397]; and

Model BC-4 [Exs. 9, 10, 17, 18, AC and AD], see Finding 38 [R. 397].

Typical of the Preco load dividers is Model BD-2 [shown in Exs. 11, 12, 19, 20, AE-1, AE-2 and AF]. This load divider includes a full width partition suspended by a swivel connection shown in the enlarged central view of Exhibit 12, the swivel connection being carried by the roller trolley located in the non-rotatable track numbered 451 in Exhibits 11 and 12. The track, in turn, is supported on a transversely oriented rotatable bar or axle 430, which has sprockets 431 mounted on its ends, the sprockets having teeth 433 engageable in openings or detents 426 of the pair of longitudinal rails 421. The rails are supported from the ceiling of the freight car as shown in the exhibits.

The sprockets and the transverse rotatable bar rotate as a unit and automatically align the cross-bar and partition in an exact transverse plane. Finding 31 finds “* * * and the structure shown differs essentially from that disclosed and claimed in the Wells, *et al.* patent in suit. * * *” [R. 395]. This aligning action results from the fact that the cross-bar 430 and the sprockets 431 rotate as a unit and are “geared” to the longitudinal tracks by the teeth 433 coacting with the openings 426.

The load divider partition has bolts or double pronged locking pins 466 and 468 in its upper and lower four

corners which engage corresponding detents in the supporting rails 421 and floor rails 427 [see Exhibit 11]. Finding 31 finds that this is “* * * a construction which differs from the horizontally oriented bolts and detents in the side walls of the Wells, et al. construction.” [R. 395].

In gate locking position, lower pins 468 project their prongs into locking apertures 429 of the lower rails and upper pins 466 project their prongs into locking apertures 425 of the upper rails. In gate releasing position, all of the locking pins are withdrawn from the rails. The gate is then freely movable about the car by rolling of shaft 430 along upper rails 420 and 421 and by rolling of roller structure 453 on member 451.

The gate locking pins are so arranged that when they are in locking position the entire weight of the gate is relieved from the cross-shaft 430, the trolley and associated parts. This is true whether the gate is locked in a transverse position or is locked in a stored position against a side wall of the freight car. Irrespective of the position in which the gate is locked all four locking pins at the four corners of the gate function to support the weight of the gate, thus relieving the moving parts from load and thus preventing severe jarring action and destruction which otherwise would occur.

In Finding 40 the Trial Court named three of the important differences between the patent in suit and the accused devices, namely, that the accused devices have:

- (1) a rotating squaring bar having sprockets at the ends;

(2) rails having openings engageable by the sprockets and mounted on the ceiling rather than the wall and of different shape; and

(3) locking devices which operate in an entirely different manner in that the detents are in the rails rather than the walls.

In the Preco models the bottom bolts, when the mechanism is locked, give a lifting action to the bulkhead, and that is to make sure that the bouncing weight of the bulkhead is not carried by the suspension system.

These important differences in Preco's BD-6 model load divider were demonstrated and pointed out to the Trial Court during the inspection of the freight car having the BD-6 model on November 2, 1966 [Tr. 123-127].

Trial Court's Opinion on Non-Infringement.

The Trial Court's oral Opinion on Non-Infringement begins at Transcript 1384 and reads as follows:

"Now, I would like to pass to the issue of infringement. On this issue, I have to start with two premises, since this is a combination patent involving a combination of old elements. First, all elements must be found in each of the accused devices, and the mode of operation must be the same.

"Now, I have examined these devices, thought about them, compared them with the patent in issue, and it is clear to me that the mode of operation is certainly different. The accused devices are so different from the Wells device that it is like comparing apples and oranges. It is also clear to me that all of the elements are not found in

the accused devices. Even a liberal application of the doctrine of equivalents would not change the result.

“There is, of course, some doubt as to whether under these circumstances a liberal definition of equivalents should be used. But I say that even if I were to use it, the result would not be any different.

“There are real differences between the patented device and the accused device, it seems to me. These differences are certainly not the unimportant and insubstantial changes of a copyist such as discussed in *Nelson vs. Batson*.

“Let me mention specifically some of the differences that particularly impress me. The bar is different, the design of the bar as a timing device, as a rotating bar, is a most significant difference. The bar in the accused devices is different in that it is not, in my view, slidably mounted.

“The rails are different; different in design, function and location. They are not in at least most, if not all of the accused devices—and I will examine that question more carefully when the findings are submitted—but they are not carried by the side walls. They are used for a different purpose. The rails are not, in the Wells device, including in the accused devices, for the purpose of this guiding mechanism and locking.

“Now, No. 3, the locking device is vastly different, it seems to me. The locking at the four corners of the partition to the top and bottom of the car is far different from the side locking of Wells. Incidentally, the side locking of Wells, as

I understood the testimony in this case, would be completely inadequate to a freight car environment when used with a bulkhead of the size and weight of those embodied in the accused devices. Then, too, the adding of the element of the lifting of the weight as part of the locking devices is also in my view a significant difference.

“Next, of course, the detents are different. They are not carried in the accused devices by the walls. Of course, the locking is not side locking, but as I have indicated, is different.”

Trial Court’s Findings of Fact on Non-Infringement.

The Trial Court found that Preco’s structures are so different from the Wells device that it is like comparing apples and oranges. Finding 28, reads as follows:

“28. The accused load dividers made and sold by Plaintiff are designed for use in freight cars where the requirements are much more exacting than the requirements for trucks of the type shown in the Wells, et al. patent in suit. The accused devices are so different from the Wells, et al. device that it is like comparing apples and oranges.”⁶ [R. 394].

The Trial Court found that Preco’s structures are different constructions from that of the patent in suit. The elements are different, the coaction between the elements are different, and the structures have a different mode of operation from the load divider dis-

⁶The detailed facts and the law of non-infringement will be argued in the Section entitled “The Findings of Fact on Non-Infringement are Correct and are Supported by the Evidence”.

closed in the patent in suit. This Finding is 29 [R. 395] which states:

“29. The Plaintiff’s structures charged to infringe are different constructions from that of the Wells, et al. patent in suit. The elements are different, the coaction between the elements are different, and the structures have a different mode of operation from the load divider disclosed in the patent in suit.”

Finding 30 [R. 395] states:

“30. All of the elements of each of the claims of the patent in suit are not found in the accused devices and the claims are not infringed. Even a liberal application of the doctrine of equivalents would not change the findings of non-infringement.”

**Exhibits AZ-1, AZ-2
and AZ-3.**

All of the typed material on Exhibits AZ-1, AZ-2 and AZ-3, the claim charts was prepared by Evans. It applies the language of claims 1, 2 and 3 respectively of Wells to the patent disclosure and other accused structures. Evans’ expert Nickerson testified with respect to such alleged infringement [Tr. 600-666, 682-704, 752-758, 770-793 and 799-812].

The testimony of Nickerson is in direct conflict with the testimony of Preco’s expert Chesnut who testified, at Transcript 1099-1104, 1113-1130, 1145, 1146, and 1244-1257, as to the elements of claims 1, 2 and 3 which are not contained in the accused models. Where the witness Chesnut found an element or a limitation was not present he put an identifying “No” in ink on the chart. The Trial Court weighed the conflicting evidence and decided the conflicts in favor of Preco,

holding that none of the claims were infringed by any of the accused models.

In Finding 31 [R. 395], the Trial Court describes Preco's Model BD-2 Load Divider [Exs. 11, 12, 19, 20, AE-1, AE-2 and AF]. In Finding 32 [R. 395], the Trial Court finds that Model BD-2 does not have:

8 of the 12 elements or limitations of claim 1 of the patent in suit, as shown on Exhibit AZ-1;

8 of the 11 elements or limitations of claim 2 of said patent, as shown on Exhibit AZ-2; or

11 of the 15 elements or limitations of claim 3 of the patent in suit, as shown on Exhibit AZ-3.

In Finding 33 [R. 396], the Trial Court finds that Preco's BD-6 Model Divider (Photographs AN-1 to AN-6) is substantially the same as Model BD-2, except that the longitudinal side rails are mounted on the side walls of the car, and that with that exception, the Findings with respect to non-infringement are the same as for Model BD-2.

Preco's Model BD-6 load divider is one of the load dividers that the Trial Court inspected and which was demonstrated to the Trial Court on November 2, 1965 [Tr. 122].

Findings 34, 36 and 38 [R. 396-398] describe Preco's load dividers Models:

BC-3 [Exs. 7, 8, 16, AA and AB];

BE-2 [Exs. 11, 12, 19, 20, AE-1, AE-2 and AF];

BC-4 [Exs. 9, 10, 17, 18, AC and AD];

respectively. Model BC-3 is another of the load dividers which was demonstrated to the Court on November 2, 1965.

Findings 35, 37 and 39 [R. 396-398] specify the elements or limitations of claims 1, 2 and 3 of the patent in suit, as shown in the infringement charts Exhibits AZ-1, AZ-2 and AZ-3, that are not found in these BC-3, BE-2 and BC-4 models, respectively.

The Trial Court picked out the more important differences between the device of Wells and Preco's accused devices in Finding 40 (See this Br. p. 27, *supra*).

In Finding 41 [R. 398-399] the Trial Court found that there is file wrapper estoppel which prevents infringement of claim 1. Claim 1 of the patent in suit had been amended to insert language which limited this claim to a structure in which the transverse bar is slidable and cannot be construed to cover a transverse rotatable bar having sprockets secured to the ends thereof and which is rotatable.

Finding 41 [R. 398-399] reads as follows:

“41. Claim 1 of the Wells, et al. patent in suit, was claim 1 of the application. This claim as originally written, claimed that the ends of the cross-bar were movable on the rails. The claim was rejected by the Examiner and it was thereafter amended to cancel the word ‘movable’ and substitute—slidably mounted on said rails for movement—. By virtue of the amendment to claim 1, the claim was limited by the principle of file wrapper estoppel to a structure in which the transverse bar is slidable and cannot be construed to cover a transverse rotatable bar having sprockets secured to the ends thereof and which is rotatable.”

Please note the subsection entitled “File Wrapper Estoppel”, *infra*, p. 62.

The Admissions Against Interest in the File Wrapper of the Erickson, Moorhead, Et Al. Application, Exhibit 59, and the Admissions of Evans' Witness Moorhead.

Some of the most powerful arguments for Preco's contentions of non-infringement lie on the admissions of Evans as set forth in the File Wrapper Exhibit 59 of the Erickson, Moorhead, *et al.* Patent No. 3,209,707, which were corroborated by the witness Moorhead. These admissions and their corroboration are 180° out of phase with the posture assumed by Evans during the trial of this action.

Moorhead testified that he is the General Manager of Research, Development and Patents for Evans, that he became Director of Patents about 1952 and the Director of Engineering about 1958 [Tr. 867, *et seq.*]. He is a co-inventor of Erickson, Moorhead, *et al.* Patent No. 3,209,707.

These admissions in the file wrapper of Exhibit 59 were made by the same attorneys that represent Evans in this action.

The Trial Court, in referring to Exhibit 59 stated:

“Exhibit 59, gentlemen, is significant in my mind. That is the new patent issued to Evans on its device. And continuously in the patent—in the Patent Office proceedings—Evans has emphasized the substance and important differences between the device it is making and the Wells device.” [Tr. 1387].

Finding of Fact 42, reads as follows:

“42. The admissions contained in the file wrapper (Ex. 59) of Erickson *et al.* Patent No.

3,209,707 assigned to the Defendant, are admissions against interest supporting Plaintiff's contentions of the differences between the accused load dividers and the structure of the patent in suit." [R. 399].

**Moorhead Testified That the Wells Structure,
Preco Structures and Evans Structures All
Present Different Mechanical Means.**

Moorhead testified that he agreed from the beginning that the Wells' structure, the Preco structures, and the structure of the Erickson, Moorhead application, Exhibit 59, present different mechanical means. This testimony is at Transcript 961, lines 8-11, and reads as follows:

"* * * I think I have agreed from the beginning of their structure, your structure and all of these structures present different mechanical means * * *."

**Admission re Locking Pins Carried by the
Bulkhead at the Top and Bottom Thereof
and Rails Having Means Cooperating
With the Locking Pins.**

On page 66 of the file wrapper of the Erickson, Moorhead, *et al.* patent, Exhibit 59, Evans clearly admitted that Wells does not disclose locking pins carried by the bulkhead at the top and bottom thereof, and that it clearly does not describe that the rails have means spaced therealong for cooperation with the locking pins at the top of the bulkhead. This admission reads as follows [Ex. 59, p. 86]:

"Reconsideration and withdrawal of the rejection of Claims 1 to 3, inclusive, as failing to define

patentable novelty over the patent to Wells et al. are respectfully requested. *The assignee of the present applicants is thoroughly familiar with the Wells et al. patent since it is also the owner of that patent. The Wells et al. patent clearly does not disclose locking pins carried by the bulkhead at the top and bottom thereof and further, it clearly does not disclose that the rails have means spaced therealong for co-operation with the ones of the locking pins at the top of the bulkhead.*" (Emphasis added).

Moorhead agreed with the foregoing statement [Tr. 956-957].

This is one of the important differences found by the Trial Court in its oral Opinion [Tr. 1386].

**Admission That Dual Function of Rails
Not Taught in Wells Patent.**

In Exhibit 59, at pages 66 and 84, Evans stressed that the rails in Exhibit 59 perform the dual function of supporting the ends of the trolley beam and of having means spaced along the rails for cooperation with the locking pins at the top of the bulkhead. Evans admitted: "This dual function is clearly not taught or suggested in Wells, et al.":

" * * applicants' rail performs the dual function of supporting the ends of the trolley beam and of having means spaced along the rails for co-operation with the ones of the locking pins at the top of the bulkhead. This dual function is clearly not taught or suggested in Wells et al."* (Emphasis added, p. 66).

“The present applicants have also provided an improved rail assembly which is very rugged and durable and which overcomes problems which have been encountered in previous rail assemblies. In the present applicants’ rail assembly, the angle which includes a flange having perforations adapted to provide a supporting track for a sprocket wheel also cooperates with the upper and lower sections of the assembly to provide a box section contributing to the great strength of the rail assembly. It is respectfully submitted that the only teaching of such a rail assembly is in the present application. * * *” (p. 84).

Moorhead, when asked if he agreed with that statement, testified at Transcript 957:

“A The fact that the dual function, the one part being performed by another, I agree, I don’t believe it is necessarily taught; certainly not by the drawings. I think all we can say here is that the principle of operation was taught, and means for accomplishing it were taught.”

This is another of the important differences found by the Trial Court.

**Admission That Disclosure of Wells Patent
Inconsistent With Respect to Moving
Bulkhead to a Position Parallel
Against Side Wall.**

At pages 66, 67 and 69 of Exhibit 59, Evans admitted that the disclosure of the Wells patent was inconsistent with respect to the moving of the bulkhead

to a position parallel to and against the side walls. These admissions are as follows:

“Reconsideration and withdrawal of the rejection of Claims 4 to 7, inclusive, as failing to define patentable novelty over Wells et al. in view of Nissen and Lloyd are respectfully requested. *At the outset it is noted that the disclosure of the Wells patent appears to be inconsistent with respect to the moving of the bulkhead to a position parallel to and against the side walls, in that Figure 4 seems to indicate that this can be done, while Figure 9 shows that the roller bracket 54 within the track bar 42 is substantially wider than the socket member 56 and it appears that movement of the bulkhead to the position illustrated in Figure 4 would result in one of the rollers 60 coming out of the end of the track bar 42*”. (pp. 66-67—emphasis added).

“Claims 13 and 14 are directed to a combination including a pair of bulkheads and the anchor plates as there recited, enabling the bulkheads to be stored in parallel position closely adjacent either doorway, as illustrated in Figure 3. The additional anchor places referred to in these claims are the anchor plates 400 identified in Figure 3. There is clearly no suggestion of this feature of the present applicants’ construction in either Wells, Adler et al. or Wieden.” (p. 69).

**Admission That Wells Track Bar 42 Is an Entirely
Different Construction Than a Rotating
Squaring Bar Having Sprockets on
the Opposite Ends Thereof.**

In Exhibit 59 Evans admitted that the transverse track bar 42 is of entirely different construction than the construction shown in Exhibit 59 (p. 70):

“ * * The Wells patent is pertinent only in that it shows a trolley beam. The trolley beam, called a track bar (42) in Wells, is, however, of an entirely different construction than the present applicants’ and its function is similar only in the broadest sense, that it supports the bulkhead for movement longitudinally of the track bar, and that the track bar is itself movable longitudinally of the truck body.”* (Emphasis added).

Moorhead agreed with that statement, and testified at Transcript 961:

“A The fact that Wells discloses this only in the broadest sense, yes, I think I have agreed from the beginning of their structure, your structure and all of these structures present different mechanical means of accomplishing the same result.”

**Admission That Sprocket Wheels Mounted on
Transverse Bar and Held Against Rotation
Differed From Wells Construction.**

In Exhibit 59 Evans admitted that sprocket wheels mounted on the transverse bar and means for holding them against rotation relative to each other differed from Wells in which the rods 44 carry rollers freely rotatable thereon which are in no way interconnected.

“* * * These claims are also specifically limited to a construction including sprocket wheels mounted

on the beam for rotation relative thereto and interconnected by means holding the sprocket wheels against rotation relative to each other. This language also further distinguishes from the Wells et al. construction in which the rods 44 carry rollers 46 freely rotatably thereon which are in no way interconnected.” (pp. 70-71).

Moorhead agreed that the rollers present a different method of keeping the bar square than Wells had [Tr. 962].

This is another of the important differences found by the Trial Court in its oral Opinion [Tr. 1385].

**Exhibit 59 Is an Admission
Against Interest.**

At the Trial, counsel for Evans objected to the examination of Moorhead with respect to the statements in Exhibit 59. Counsel for Evans contended that Preco was asking for what amounts to hearsay testimony and that the arguments in Exhibit 59 were merely arguments of the patent solicitor who was seeking to persuade the Patent Office that it should grant a patent on this construction [Tr. 954, 981]. Counsel for Evans admitted that the Erickson, *et al.* application, Exhibit 59, was prosecuted on behalf of and owned by Evans [Tr. 955]. The Trial Court held that the statements in Exhibit 59 clearly constitute admissions against interest.

This Court in *Canadian Ingersoll-Rand Co. v. Peterson Products, supra*, at page 25, held as follows:

“* * * Moreover, there is substantial authority for the proposition that it is appropriate to consider the actions and statements against interest of the

inventor or patent owner in construing the scope of a patent. See *Jungersen v. Baden*, 2 Cir., 166 F.2d 807, 809, aff'd 335 U.S. 560, 69 S.Ct. 269, 93 L.Ed. 235; *Timken Detroit Axle Co. v. Cleveland Steel Prod. Corp.*, 6 Cir., 148 F.2d 267, 270."

See also *Foster Metals Products v. Jacoby-Bender, Inc.* (C.A. 1, 1958), 255 F. 2d 869 at 871, Footnote 1.

On pages 44 and 45 of its Brief Evans argues that Finding 42 was clearing erroneous both because the arguments in no way indicate that the accused structures do not infringe the Wells, *et al.* patent and because in any event, this type of thing is not a proper admission against interest and should properly have been excluded. The differences stressed by Evans in Exhibit 59 were in accord with Moorhead's testimony in this case and some are included in the important differences found by the Court in its oral opinion [Tr. 1385-1386]. The case cited by Evans on page 45 of its Brief is clearly *contra* to the decision of this Court cited above.

The Findings of Invalidity Are Correct and Are Supported by the Evidence.

Preco's expert witness Chesnut analyzed each of the prior art patents [Tr. 1034-1089], pointing out their construction and mode of operation. It was found that each and every element and each and every function was old. Furthermore, the testimony shows that all Wells did was to combine elements old in the art and when they combined them the elements were the same, the functions were the same, and the coaction was the same. To illustrate how simple it was to combine the elements of the prior art, colored Exhibits 31, 32 and 40 were prepared. Preco's expert Chesnut carefully and

thoroughly explained how the parts were combined and how they functioned.

It is a well established principle of law that to invalidate a claim it is not necessary that all of the elements be found in one prior patent. It is sufficient if all of the elements are found in a number of prior art patents. See *Eagle, et al. v. P. & C. Hand Forged Tool Co.* (C.A. 9, 1935), 74 F. 2d 918, 920 and *Schmeiser v. Thomasian* (C.A. 9, 1955), 227 F. 2d 875, 877.

Likewise, the law is well established that assembling an aggregation of elements is not a patentable invention. See:

Lincoln Engineering Co. v. Stewart-Warner Corp., 303 U.S. 545;

Great Atlantic & Pacific Tea Co. v. Supermarket Corp., 340 U.S. 147;

Bergman v. Aluminum Lock Shingle Corp. of America (C.A. 9, 1957), 251 F. 2d 801;

Kwikset Locks v. Hillgren (C.A. 9, 1954), 210 F. 2d 483;

Oriental Foods v. Chun King Sales (C.A. 9, 1957), 244 F. 2d 909;

Continental Connector Corp. v. Houston Fearless Corporation (C.A. 9, 1965), 350 F. 2d 183;

Bliss v. Gotham Industries, Inc. (C.A. 9, 1963), 316 F. 2d 848, 850;

Pressteel Company v. Halo Lighting Products, Inc. (C.A. 9, 1963), 314 F. 2d 695, 698, 699.

Since the claims of Wells, *et al.* are directed to an assembly of elements the caution recommended in the

Great Atlantic & Pacific Tea Co. v. Supermarket Corp. case, *supra* should be followed, namely, the Court should scrutinize combination patent claims with a care proportionate to the difficulty and *improbability* of finding an invention in an old assembly of elements. As in the *Great Atlantic & Pacific Tea* case, we have a situation in our present litigation in which the effect of the patent is to subtract from the fund of useful knowledge that which was previously freely available to skilled artisans. Also see

Bergman v. Aluminum Lock Shingle Corp. of America, supra;

Kwikset Locks v. Hillgren, supra;

Continental Connector Corp. v. Houston Fearless Corp., supra.

Evans most certainly has not sustained its burden on appeal to establish that the Findings of Fact and Conclusions of Law are clearly erroneous. Nevertheless, Preco will briefly point out Wells did nothing more than utilize the fund of knowledge freely available to everyone and did nothing more than exercise the level of skill of persons in this art.

In Exhibit 40 Preco showed how simple it was to combine the teachings of Staiger, Exhibit 2-P and of Potter, Exhibit 2-R. The Potter arrangement consists of a transverse bar b from which a trolley g is hung, the lower part of the trolley g having a swivel bolt h. From the bolt h is hung the gate or partition consisting of horizontal bars c and the vertical bars d. It will be seen that the entire gate may be swivelled or pivoted on its pivot h as shown in Fig. 2 of the Potter patent, and when in this swivel position the entire assembly may be moved to either of the posts a, which act as the

side walls, the trolley g freely rolling on the transverse bar b. Preco's expert witness Chesnut testified to this construction and operation [Tr. 1107 *et seq.*].

The two posts a have recesses u which perform the same functions as the detents of Wells, *et al.* There are horizontally movable latch bars u which, as shown in the right-hand side of Exhibit 40, may be extended to engage in the recesses u in order to lock the gate in a transverse or closed position.

Also Preco's expert witness Chesnut testified with regard to Exhibit 40, starting on 1093 of the Transcript.

So far as the functioning of the gate is concerned, it makes no difference whether the parts a are posts or whether they are long walls. Evans complains that the partition of Potter is from an non-analogous art. It did not so complain before the Lower Court and its present complaint may be taken as a confession of the extreme pertinency of this reference. The alleged Wells invention is a moveable partition which may be moved from a closing position into a stored position against a wall. Now, whether this partition is in a freight car or in a truck, or used in closing and opening or passage in any other structure is immaterial. As stated by the Supreme Court in the case of *Altoona Theatres v. Tri-Ergon Corp.*, 294 U.S. 477, wherein they found a flywheel is a flywheel wherever you use it and the Court held there was no invention in applying a flywheel in a motion picture machine.

As cogent evidence that Potter Exhibit 2-R is pertinent, we refer your Honors to the Wells Patent No. 1,646,604, Exhibit 2-H, directing your attention

first to the fact that the Wells patent is C. H. Wells, who is one of the co-inventors of the patent in suit. In his earlier patent he makes it clear that “* * * The partition will also be found to be useful in stock yards and on stock farms since it affords a convenient device for dividing a pen into small or large compartments when it is desired to keep some of the animals separate from the rest for special treatment or rations.” (p. 2, right-hand column, lines 99-105).

Wells alleged invention is making the cross-bar such as b of Potter movable. In other words, it is supposed to involve invention to put wheels on the end of a bar. There is about as much invention and ingenuity here involved as putting casters on a bed.

There are many instances in the art where cross-bars or cranes are mounted on parallel tracks adjacent the side walls of a freight car and using wheels whereby the crane or cross-bar is slidable along the tracks. Such patents are Moriarty, Exhibit 2-D, Harris, Exhibit 2-J, Angell, Exhibit 2-K and others.

In Exhibit 40 we have chosen Staiger, Exhibit 2-P, as the patent to supply the wheels 36 and the longitudinal tracks 30.

The testimony shows that with an arrangement such as that of Exhibit 40 all of the functions of Wells are performed. There is certainly no new or different coaction between the wheels 36 and track 30 brought into being because it supports a cross-bar which, in turn, happens to support a partition or gate.

With each and every part and function being present there were, in reality, no differences for the Trial Court to make an evaluation as to whether or not invention

was involved. The results accomplished were not unusual or surprising such as is required by the *Continental Connector Corp. v. Houston Fearless* case, *supra*, or the other Ninth Circuit cases referred to heretofore.

If there were any testimony to the contrary of that of Chesnut, the conflict has been resolved in favor of that of Chesnut.

“* * * We are not to re-evaluate conflicting expert testimony. *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, *supra*; *Carolina Lee Knitting Co. v. Johnson & Johnson*, 275 F.2d 91 (4th Cir. 1960).”

Continental Connector Corp. v. Houston Fearless Corp., 350 F. 2d 183, 190.

A second illustration is Exhibit 31 testified to by Preco's expert witness Chesnut, starting at Transcript 1111. In this Exhibit we have combined the disclosure of Staiger, Exhibit 2-P and the disclosure of the Wells patent, Exhibit 2-H. All of the elements, all of the functions, all of the co-actions are present. This illustration clearly shows that all Wells, did was to use the vast fund of public knowledge, and what they did was obvious “* * * as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art * * *” (15 L. Ed. 2d 554).

A third illustration is that of Exhibit 32, which combines Deady, Exhibit 2-G and Jones, Exhibit 2-I. This is just another illustration to show how extensive was the prior art and how many different things were available to Wells. He testified that the elements of Deady arranged in the composite of Exhibit 32, would function in the “* * * same way as they did in the original structures without any change in the function

of the elements", and that the structure shown in Exhibit 32 would function in substantially the same way as the device of the patent in suit [Tr. 1112-1113].

The Trial Court's decision of invalidity was based on Findings of Fact 12 to 25 [R. 390-394]. Please note the Section entitled "The Trial Court's Findings of Fact on Invalidity", *supra*. These Findings of Fact are supported by substantial evidence. In addition to the testimony of Chesnut, Mr. Beemer testified that he had been Chief Engineer of Preco, of his many years experience in the railroad supply field, with respect to Exhibits 42-A, B, C, and D, 43-A, B, and C, 45-A, B, and C, and 48-A, B, C and D, that Preco had produced since 1940, and with regard to the development of the Preco load dividers in suit. He also testified with regard to Staiger Patent No. 2,437,486, Exhibit 2-P and Wells Patent No. 1,646,604, Exhibit 2-H, and that it would be obvious to combine relevant portions of Staiger with relevant portions of Wells Patent No. 1,646,604, if you wanted to move the bulkhead of the first Wells patent to the side [Tr. 383-391].

The testimony of Chesnut and Beemer with respect to the prior art and the composite structures shown in Exhibits 31, 32 and 40 stands substantially uncontroverted.

Evans contention that the travelling beam crane art is "* * * believed to be non-analogous and certainly there is nothing in the prior art that suggests that a portion of a travelling beam crane be combined with a portion of any prior bulkhead construction for any purpose * * *" (Br. p. 61) is clearly without merit.

In addition to the load supporting devices of the bridge-crane type in freight cars found to be old by

the Court prior to the filing of the patent in suit specified in Finding 14 [R. 392], such load supporting devices are shown in the following patents:

Harris No. 1,825,452, Exhibit 2-J

Jones No. 2,160,870, Exhibit 2-L

Also please note in the Erickson, Moorhead, *et al.* file wrapper of Patent No. 3,209,707 [Ex. 59] “* * * the rails supporting the trolley beams 38 and 40 * * *” are referred to as “crane rails” [Ex. 59, p. 7, lines 11, 13, 15, 28 and 30, p. 8, and other places].

Evans argues that the assembly of the patent in suit accomplishes new results (See Evans Br. p. 65). Preco denies that it accomplishes any new results. It is just an accumulation of old results because additional parts are added, but even though new results were accomplished this would not involve invention. This point was decided by the Supreme Court of the United States in the case of *Graham, et al. v. John Deere Company of Kansas City, et al*; *Calmar, Inc. v. Cook Chemical Company*; *Colgate-Palmolive Company v. Cook Chemical Company*, 383 U.S. 1, 15 L. Ed. 2d 545. In that case there were petitions from separate Circuits, the Fifth and the Eighth—one Circuit holding that invention was present because there was a “new result”, and another Circuit holding that invention was not present because there was “no new result”. The Supreme Court rejected the decisions of both of the Lower Courts on the grounds that the wrong test was made.

“* * * In 1955, the Fifth Circuit had held the patent valid under its rule that when a combination produces an ‘old result in a cheaper and otherwise more advantageous way,’ it is patentable.

Jeoffroy Mfg., Inc. v. Graham, 219 F2d 511, cert. denied, 350 US 826, 100 L ed 738, 76 S Ct 55. In 1964, the Eighth Circuit held in the case at bar, that there was no new result in the patented combination and that the patent was, therefore, not valid. 333 F2d 529, reversing 216 F Supp 272. We granted certiorari, 379 US 956, 13 L ed 2d 553, 85 S Ct 652. Although we have determined that neither Circuit applied the correct test, we conclude that the patent is invalid under § 103 and, therefore, we affirm the judgment of the Eighth Circuit.” (15 L. Ed. 2d 545, 549).

The Supreme Court held that under 35 U.S.C. §103 it was necessary to make three factual determinations and against such a factual background the obviousness or non-obviousness of the subject matter must be determined.

“While the ultimate question of patent validity is one of law, *A. & P. Tea Co. v. Supermarket Corp.*, supra, 340 US at 155, 95 L ed at 168, the § 103 condition, which is but one of three conditions, each of which must be satisfied, lends itself to several basic factual inquiries. Under § 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or non-obviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject mat-

ter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy. See Note, Subtests of 'Nonobviousness,' 112 U Pa L Rev 1169 (1964)." (15 L. ed. 2d 556).

This decision of the Supreme Court is a definite recitation of the law such as has been applied by this Court in many cases wherein this Court has held that no invention is involved where the inventor merely used ideas which were drawn from the existing fund of public knowledge and produced results which would be expected by one skilled in the art. See *Continental Connector* case, *supra* and *Monroe Auto Equipment Company v. Superior Industries, Inc.* (C.A. 9, 1964), 332 F. 2d 473.

Evans definitely has not made any explanation to this Court as to the scope and content of the prior art, as to the differences between the prior art and the claims, or as to the level of ordinary skill in the pertinent art. All of its arguments as to "new result" are of no value whatsoever because they are, as held by the Supreme Court, "the wrong test".

Evans failed to make any showing of any unusual or surprising result. The necessity of such a factual showing is emphasized by the Supreme Court in *United States v. Adams*, 15 L. Ed. 2d 572, 148 U.S.P.Q. 479, which was a decision handed down by the Supreme Court simultaneously with the *Graham, et al. v. John Deere, et al.* decision. In *United States v. Adams* it was held that the subject matter of the Adams patent was not obvious and that the patent was valid because:

1. " * * * the operating characteristics of the Adams battery have been shown to be unexpected

and to have far surpassed then existing wet batteries. * * *” (148 U.S.P.Q. 483)

2. “* * * Despite the fact that each of the elements of the Adams battery was well known in the prior art, to combine them together as Adams did required that a person reasonably skilled in the art must ignore * * * long accepted factors, [which] when taken together, would, * * * deter any investigation into such a combination * * *” (148 U.S.P.Q. 483, 484)

3. “* * * at the time Adams perfected his invention noted experts expressed disbelief in it. * * *” (148 U.S.P.Q. 484).

It should be remembered that the most important references relied on by Preco were not cited by the Patent Office and, therefore, the presumption of validity of the patent is greatly weakened.”

Jaybee Mfg. Corp. v. Ajax Hardware Mfg. Corp. (C.A. 9, 1961), 287 F. 2d 228, 229;

Pressteel Company v. Halo Lighting Products Inc. (C.A. 9, 1963), 314 F. 2d 695, 697.

As stated in *Monroe Auto Equipment Company v. Superior Industries, Inc.* (C.A. 9, 1964), 332 F. 2d 473 at 481:

“* * * The existence of but one pertinent example of unconsidered prior art is not only sufficient basis to dissipate the presumption of validity (*Pressteel Co. v. Halo Lighting Products, Inc.*, *supra*; *Jaybee Mfg. Corp. v. Ajax Hardware Mfg. Corp.*, *supra*), but may render the patent invalid.”

From the foregoing it is clear that the claims are invalid because what Wells did does not meet the

standard of invention as required by the Supreme Court in the *Great Atlantic & Pacific Tea Co. v. Supermarket Corp.* case, *supra*, and by the following Ninth Circuit cases:

Continental Connector Corp. v. Houston Fearless Corp., *supra*;

Bergman v. Aluminum Lock Shingle Corp. of America, 251 F. 2d 801;

Kwikset Locks v. Hillgren, *supra*.

The Findings of Fact on Non-Infringement Are Correct and Are Supported by the Evidence.

All of Elements of Any Claim Are Not Found in Any Accused Device.

Re. Findings of Fact 30, 32,
33, 35, 37 and 39.

As to non-infringement because all of the elements of any of the claims are not found in any of the Preco devices, we have testimony of Evans' expert Nickerson that there is infringement, and this is found on pages 600-666, 682-704, 752-758, 770-793, and 799-812 of the Transcript with reference to claim charts Exhibits AZ-1, AZ-2 and AZ-3. All of the typed material on those charts was inserted by Evans and testified to by Nickerson. This testimony was sharply denied by Chesnut who testified [Tr. 1099-1104, 1113-1130, 1145, 1146, 1244-1257], as to the elements of claims 1 to 3, which are not contained in the accused structures. Where the witness Chesnut found an element was not present he put the identifying "No" on the chart. The Trial Court weighed the conflicting evidence and decided the conflicts in favor of Preco, holding that none of the claims were infringed by way of the accused structures.

The Findings of Fact that all of the elements of any of the claims are not found in the accused devices are Findings numbered 30, 31, 32, 35, 37 and 39. [R. 395-398].

As to the elements absent from the Preco structures, as found by the Trial Court as testified to by Chesnut [the letter on the left-hand side of the element refers to the letter corresponding to the element in the claim charts, Exhibits AZ-1, AZ-2 and AZ-3]:

As to Claim 1 [Ex. AZ-1]

The accused structures do not have:

- (d) a row of detents carried by at least one of said walls
- (e) oppositely disposed rails carried by said walls
- (f) above said detents
- (g) a bar disposed between and supported by said rails, the ends of said bar being slidably mounted on said rails for movement to selected positions with respect to the longitudinal length of said rails.
- (h) said rails being constructed for guiding such movement
- (j) a pivotal connection between said member and said bar for suspending one from the other and for permitting said member to turn into positions transverse and parallel with respect to said walls at desired times
- (k) means slidably mounting the said pivotal connection on the bar for longitudinal travel of said connection and partition member on the bar,

- (l) and means cooperative with said detents carried by said partition member for maintaining said partition member in a position transverse with respect to said walls.

*As to Claim 2 [Ex. AZ-2]*⁷

The accused structures do not have:

- (c) tracks, C-shape in cross section
- (d) carried by the upper parts of the side walls
- (e) a transverse bar channel-shape in cross section extended between the tracks
- (f) means movably mounting the ends of the transverse bar in the tracks
- (h) a bracket positioned between the said partition and transverse bar
- (i) means movably mounting the bracket in the bar
- (j) means pivotally suspending the partition from the bar whereby with the bracket positioned at one end of the bar the partition may be positioned against the inner surface of a side wall of the vehicle body
- (k) and locking means on an edge of said partition positioned to engage a side wall of the vehicle body for retaining the partition in a position extended across the said vehicle body.

*As to Claim 3 [Ex. AZ-3]*⁸

The accused structures do not have:

- (c) tracks, C-shape in cross section

⁷Claims 2 and 3 of the patent are not charged to be infringed by Model BE-2.

⁸Claims 2 and 3 of the patent are not charged to be infringed by Model BE-2.

- (d) carried by the upper parts of the side walls
- (e) a transverse bar, channel shape in cross section, extended between the tracks
- (f) rollers journaled on the ends of the transverse bar and positioned in the tracks for movably mounting the bar in the tracks
- (h) a bracket positioned between the partition and the bar
- (j) a swivel joint pivotally suspending the partition from the bar whereby with the bracket located at one end of the bar the partition may be positioned against the inner surface of the adjacent side wall of the vehicle body,
- (k) spaced latch bolts slidably mounted in the edges of the said partition
- (l) rods having handles thereon pivotally mounted in the partition,
- (m) means connecting the said latch bolts to the rods whereby the latch bolts may be withdrawn
- (n) from locking engagement with the side walls of the vehicle body by the rods,
- (o) and means resiliently urging the said latch bolts into locking engagement with the side walls for retaining the partition in a transverse position in the vehicle body.

It is well established law that the claims measure the patent monopoly and the patent is infringed only if every element of the claim, or its functional equivalent, is found in the accused article.

In *Nelson v. Batson* (C.A. 9, 1963), 322 F. 2d 132, this Court held that the claims measured the patent

monopoly and provide the standard against which infringement is determined, stating at page 134:

“* * * The claims measure the patent monopoly, and their language provides the standard against which infringement is initially to be determined. * * * the patent is infringed only if all of the elements set forth in the claim are found in the accused device.” (Authorities cited).

To the same effect is the decision of this Court in *Lockwood v. Langendorf United Bakeries, Inc.*, 324 F. 2d 82, in which the Court held at page 88:

“ ‘In a combination patent, such as involved in this case, every element of a particular claim is presumably essential and, therefore, every element of the claim, or its functional equivalent, must ordinarily be found in the accused article. See: *Q-Tips, Inc. v. Johnson & Johnson*, 207 F.2d 509 (3rd Cir. 1953).

“ ‘Where, as in this case, no embodiments of the patent asserted by plaintiff have ever been produced for commercial use, that circumstance is one calling for a narrow rather than a liberal construction of its claims. See: *Thompson v. Westinghouse Elec. & Mfg. Co.*, 116 F.2d 422, 425 (2d Cir. 1940); *Glendenning v. Mack*, 159 F.Supp. 655, 668-669 (D. Minn. 1958).’ ”

Differences in Structure and Mode of Operation.
Findings 28, 29 and 40.

Findings 28, 29 and 40 are supported by substantial evidence. For example, Beemer testified that a device of the patent in suit would not be at all suitable for

use in a railroad car and gave his reasons in support of that statement [Tr. 393-397]. He further testified that the Preco structures operate in an entirely different manner than the Wells device.

There is a great dispute in the testimony as to how the loads are carried in the Wells structure and in the Preco load dividers. Evans witness Nickerson had considerable difficulty in testifying in that respect [Tr. 585, 778-790, 1270-1272, 1276-1279]. Professor McCormick, an expert in analysis and design of structures, testified that in Wells the loads and stresses are carried on the beam 42 and the stub ends 44, and that in Preco Model BD-2 the bulkhead is supported by the timing shaft 44, which in turn is supported by the rollers. He testified that the Preco load bearing structure was different from that of Wells [Tr. 1131-1144].

Mr. Erickson, the Chief Engineer of Preco, testified from fact that the squaring bar performs a load bearing function, that it is the only member that is engaged on the tracks [Tr. 1282-1296]. Beemer testified that in the BD-2 model load divider that the load of the timing or squaring shaft is carried by the smooth cylindrical roller beyond the sprocket element [Tr. 441-442].

As has been shown in the section entitled "The Admissions against Interest in the File Wrapper of the Erickson, Moorhead, et al. Application, Exhibit 59, and the Admissions of Evans' Witness Moorhead", the admissions in Exhibit 59, and the corroborating testimony of Moorhead alone constitutes substantial evidence to support Findings 28, 29 and 40.

The Wells patentees had no idea of how they would mount their device in a freight car. In the file wrapper

they objected to Jones patent No. 1,803,760, as a reference, stating:

“* * * The Jones construction would not function for the applicant’s purpose, since there are no overhead members 13 in a truck, as in Jones, to which to secure a rail. Expensive alterations and reconstruction would be necessary.

* * * * *

“Such reconstruction would be only in the light of the applicant’s disclosure and would be unfair.

“Neither Laffey nor Jones could function for the applicant’s purpose in a truck.” [Ex. 1, p. 27].

In Finding 28 the Court found that the Preco load dividers are so different from Wells that it is like comparing “apples and oranges”.

Mr. Chesnut testified that the Preco structures were entirely different from Wells. As an example, see Transcript 1229.

In *Engelhard Industries, Inc. v. Research Instrumental Corp.* (C.A. 9, 1963), 324 F. 2d 347, this Court held at page 351:

“* * * a patent for an apparatus is not infringed unless the accused device is a copy of the claimed apparatus ‘either without variation, or with such variations as are consistent with its being in substance the same thing.’ *Sanitary Refrigerator Co. v. Winters*, 280 U.S. 30, 42, 50 S.Ct. 9, 13, 74 L.Ed. 147 (1929), quoting from, *Burr v. Duryee*, 1 Wall. 531, 573, 68 U.S. 531; 573, 17 L.Ed. 650 (1863).”

In Finding 29 [R. 395], the Court found that the Preco accused devices are different “* * * The elements are different, the coaction between the elements are different, and the structures have a different mode of operation from the load divider disclosed in the patent in suit.”

Please note three of the important differences in Preco's BD-6 model load divider which were demonstrated and pointed out to the Trial Court during the inspection of the freight car having Model BD-6 on November 2, 1966 [Tr. 123-127] (p. 27, *supra*).

The structure shown in the Wells patent in suit has a cross-bar which slides and does not rotate and in which the guiding action is performed by vertical flanges of the C-shaped rails operating in conjunction with the rollers on the ends of the bars. Preco's rotating cross-bar with its integral sprockets which does not slide but which rotates, is a different element from any employed by Wells. The aligning action in Preco results from the “geared” action of two sprockets tied together by the cross-bar, forming an integral unit which rotates as a unit. This mechanism has a mode of operation different from that of Wells, therefore, there can be no infringement. The Trial Court, considering the facts as to how the two structures operated, made the Finding that Preco has a different mode of operation.

The locking mechanism of Preco is different from that of Wells because it cooperates between the partition and the floor and between the partition and the top rail. It has a different construction and mode of operation enabling a single locking mechanism to be used for locking the partition either in a transverse po-

sition or in a stored position folded against the side wall of the freight car.

Furthermore, there is the following different mode of operation:

In Wells the locking bars are horizontal and project into openings in the side wall of the freight car. This is an undesirable feature which the Court found resulted in Wells being unsuited for freight car use [Finding of Fact 26, R. 394].

In Preco the partition is supported on the rails only when the partition is being moved from one longitudinal position to another longitudinal position in the freight car. When the partition is supported in a transverse position or in a folded position against the side walls of the freight car the latch means functions to raise the partition and relieve the longitudinal tracks and supporting swivel of its weight and to cause the partition to be supported by the floor of the freight car.

Thus, we have another difference in mode of operation supported by facts and by law which we have as a ground of non-infringement.

Wells shows but a single device and their description is limited to that single device. There is no substance which would establish that their ideas were any broader. The claims of the patent in suit are not infringed because the claims must be limited to the device disclosed in the patent in suit under the doctrine of *McRoskey v. Braun Mattress Co.* (C.A. 9, 1939), 107 F. 2d 143, in which the Court said at page 146:

“Whether the mattress depressing members of the frames described in the claims are conical-

shaped or not, the claims do not state, but, since conical-shaped mattress depressing members are the only ones mentioned in the specification, it must be assumed that the mattress depressing members of the frames described in the claims are likewise conical-shaped. For the claims must be read in the light of the specification. *Henry v. Los Angeles* 9 Cir., 255 F. 769, 780.”

An examination of Preco’s structures show that Preco followed the prior art. The accused structures do not infringe the patent in suit because the structures followed disclosures in the prior art and not the patent in suit.

Preco uses the rotating support bar with integral gears such as is shown in the patent to Moriarty No. 1,388,819, Exhibit 2-D, and functions as taught by Moriarty, Exhibit 2-D or Harris No. 1,825,452, Exhibit 2-J, and Laffey, No. 1,522,784, Exhibit 2-E. Preco’s means for supporting the partition from the crossbar is plainly shown in Deady Patent No. 1,622,574, Exhibit 2-G, as well as numerous other patents relied on by Preco.

Preco’s locking of the partition by vertically extending and vertically movable bolts is shown in the patents to Moriarty, Exhibit 2-D, Dixon, Exhibit 2-N and Angell, Exhibit 2-K.

Therefore, under well-established law of this Circuit, there can be no infringement. In *Air Devices, Inc. v. Air Factor* (C.A. 9, 1954), 210 F. 2d 481 at page 483, this Court held there was no infringement where the results obtained were not secured by the same means or by a device operated in the same manner.

“* * * Identity of result is no test. *Stebler v. Porterville Citrus Ass’n*, 9 Cir., 248 F. 927. As the results obtained are not secured by the same means, or by a device operated in the same manner, or in substantially the same manner, the several devices are not equivalents. *Leishman v. Associated Wholesale Electric Co.*, 9 Cir., 137 F.2d 722, 727.”

The Union Paper Bag Case, 97 U.S. 121, 125;

69 Corpus Juris Secundum 861, Section 292;

Walker on Patents, Deller’s Edition, Volume 3, Section 496, page 1750;

Graver Tank & Mfg. Co., Inc., et al. v. Linde Air Products Co., 339 U.S. 605, 608, 609, 94 L.Ed. 1097;

Grant v. Koppl, 99 F. 2d 106 (C.A. 9), wherein the Court said at page 110:

“We note that appellant contends that the claims of the patent in suit read upon appellees’ device. We may assume that this is true, especially as to claim 9. But infringement is not a mere matter of words. (Authorities cited) Here, we hold that the mode of operation is different and that there is no equivalency of means. It is not necessary to discuss the claims separately or in detail. * * *”

File Wrapper Estoppel.

Finding 41.

As found by the Trial Court, there is file wrapper estoppel which prevents infringement of claim 1, and this, although it requires an interpretation of language of documents, is, nevertheless, factual in so far as what occurred before the Patent Office.

Claim 1, as originally filed, was claim 1 of the application and was written as shown on page 10 of the File Wrapper Contents, Exhibit 1. This claim, as originally written, was broad enough to cover any type of movable cross-bar. The claim was rejected by the Examiner (File Wrapper Contents, page 15), and it was thereafter amended (File Wrapper Contents, page 25) to cancel the word “movable” and substitute—slidably mounted on said rails for movement—, and to add the words—said rails being constructed for guiding such movement—.

Claim 1 originally read: “* * * a bar disposed between and supported by said rails, the ends of said bar being movable to selected positions with respect to the longitudinal length of said rails, * * *”. As amended, this portion of the claim now reads: “* * * a bar disposed between and supported by said rails, the ends of said bar *being slidably mounted on said rails for movement* to selected positions with respect to the longitudinal length of said rails, *said rails being constructed for guiding such movement*, * * *”

This limitation limits claim 1 to an arrangement in which the bar slides in its movement along the rails and in which the rails are constructed for guiding such movement. A sliding movement is a movement in which there is no rotation. The bar as defined in claim 1 slides and does *not* rotate.

Preco's accused structures have a cross-bar with sprockets secured to each end providing an integral assembly which rotates *as a unit* when the bar is moved along the rails. This bar does not slide, that is, move without rotation, as now specified in the claim, as amended.

Also, the claim is now limited by the words “said rails being constructed for guiding such movement” to an arrangement in which the rails being C-shaped have the side walls which are engageable by the rollers on the ends of the cross-bar to guide the ends of the bar.

There is also considerable difference in the testimony with respect to whether or not the ends of the squaring bars in the Preco load dividers are “slidably” mounted on the rails for movement.

The testimony of Nickerson [Tr. 606-622] and Moorhead [Tr. 979-980] is in dispute with that of Chesnut [Tr. 1103, 1104, 1151] and Beemer [Tr. 337-342].

Mr. Chesnut’s testimony with respect to file wrapper estoppel is on Transcript 1146 to 1151. Mr. Nickerson’s testimony is on Transcript 751-752.

The Trial Court found in Finding 41:

“* * * By virtue of the amendment to claim 1, the claim was limited by the principle of file wrapper estoppel to a structure in which the transverse bar is slidable and cannot be construed to cover a transverse rotatable bar having sprockets secured to the ends thereof and which is rotatable.” [R. 398-399].

Preco contends that the claims are not infringed under the doctrine of *Exhibit Supply Co. v. Ace Patents Corporation*, 315 U.S. 126, 136, 137, which states:

“* * * By striking that phrase from the claim and substituting for it ‘embedded in the table,’ the applicant restricted his claim to those combinations in which the conductor means, though carried on

the table, is also embedded in it. By the amendment, he recognized and emphasized the difference between the two phrases and proclaimed his abandonment of all that is embraced in that difference. (Authorities cited). The difference which he thus disclaimed must be regarded as material, and since the amendment operates as a disclaimer of that difference it must be strictly construed against him. (Authorities cited) As the question is one of construction of the claim, it is immaterial whether the examiner was right or wrong in rejecting the claim as filed. (Authorities cited) * * *

Also see:

Moon v. Cabot Shops, Inc. (C.A. 9, 1959), 270 F. 2d 539, 549;

Oregon Saw Chain Corporation v. McCulloch Motors Corporation (C.A. 9, 1963), 323 F. 2d 758, 768.

Conclusion.

The Judgment of the Trial Court holding the patent invalid and not infringed was plainly correct and should be affirmed by this Court.

Respectfully submitted,

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Dated: November 4, 1966

Certificate.

I certify that, in connection with the preparation of this brief, I have examined Rules 18, 19 and 39 of the United States Court of Appeals for the Ninth Circuit, and that, in my opinion, the foregoing brief is in full compliance with those Rules.

ROBERT M. McMANIGAL

